F.E. Rosch

PACIFIC FRUIT EXPRESS COMPANY

January News Letter

SACRAMENTO CALIF.
1957 JAN 29 AM 10 29

San Francisco, January 25, 1957

ALL P.F.E. EMPLOYES:

P.F.E. Loadings

	1956			1955		
	PFE Cars	Foreigns	Total	PFE Cars	Foreigns	Total
December	24,890	1,069	25,959	28,681	1,253	29,934
Year	348,886	36,603	385,489	353,718	39,248	392,966

CAR SITUATION

General car situation has been satisfactory with some surplus developing in New England states being turned to BAR for Maine potato loading and Florida unloads being used by FGE. Freezing weather in Great Lakes area is temporarily slowing return of empties which, with increasing load in Idaho, Imperial Valley, and Mexico, will reduce present surplus supplies on line; however, westbound tide should be adequate for protection of January loading without resorting to use of foreign equipment.

CROP CONDITIONS

Along Union Pacific -

Apple and pear loading from Northwest District is below normal due to short crops with movement averaging 15 to 20 daily. Miscellaneous items such as beer, canned goods, nursery stock, and frozen foods will continue at normal rate of 10 to 15 daily. While Idaho potato and onion shipments are in good seasonal volume, which should continue from the large storage supplies available, the market has not been too satisfactory and exceptionally heavy loading is not anticipated unless a more favorable price structure is established.

Eastern District crop movements are mostly in trucks with only occasional rail shipments which condition is not likely to change under present low market prices. Packing house products and miscellaneous items from Missouri River points should continue in normal volume.

Along Southern Pacific -

In Oregon Medford pears, Klamath potatoes and miscellaneous from Willamette Valley are moving in normal seasonal volume although Klamath potato shipments are below last year due to heavier trucking.

In Northern California Porterville citrus should continue at

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In Northern California Porterville citrus should continue at

steady rate of 25 to 30 daily through January. Canned goods from Sacramento, Stockton, Bay area, and San Jose will continue heavy. Frozen food loading is consistent at light seasonal rate of 8 to 10 daily from Santa Clara and Salinas areas.

In Southwest District Yuma lettuce harvest has passed its peak and will decline steadily. Imperial lettuce is increasing under improved growing conditions. Mexican tomatoes are crossing at Nogales in good volume which should continue under normal weather conditions. Loading in territory west of Colton is in light seasonal volume, consisting of citrus, miscellaneous vegetables, and bananas.

T&NO: Vegetable movement from Eagle Pass and Rio Grande Valley is exceeding earlier expectations with indications that good movement will continue consistent with weather and marketing conditions.

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It looks like a difficult year ahead for P.F.E., particularly the months January through June. Current carloading estimates during this period are as follows:

	Estimated 1957	Actual 1956	Decrease	
January	28,600	31,318		
February	29,000	31,918		
March	30,000	30,599		
April	24,600	24,772		
May	28,500	30,789		
June	40,500	41,680		
Six months	181,200	191,076	9,876	5.16% or

In the face of these decreases representing reduced income, our payouts will increase over those of 1956. We will, of course, have to make substantial payments on the 2,000 new cars now under construction. This program entails a total expenditure initially set at $26,554,400.; however, this figure will be increased to some extent as result of current labor and material increases.

Material prices at this time reflect slightly more than 10% increase over comparable period of 1956.

Labor is going to cost us more. For example, the wage agreement recently negotiated will add considerably to PFE expense of operations, for which no additional income is available to offset. The 10¢ per hour increase granted to employes effective November 1, 1956 will add about $1,320,000 to PFE operating expenses, and payments by the company for dependents' hospitalization insurance, effective December 1, 1956, will increase our costs another $330,000 for year 1957. In addition, the 7¢ per hour increase to become effective

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November 1, 1957, will add another $154,000 to payroll costs for 1957.

Am giving you this detail because I think all our people are vitally interested in what's ahead for PFE. It means that we will have to cooperate to the utmost and turn in a good job, that the forecasted loadings may be improved if that be possible, and that labor and materials be employed efficiently.

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Car Construction Program

Roseville is concentrating on mechanical cars and on January 10th had 54 cars on the production line. Los Angeles and Colton started lines of standard cars shortly after Roseville, and, respectively, had 52 and 16 cars on line as of January 10th. All three locations are scheduled to start releasing completed cars in February, and 200 mechanicals will be completed with final releases in May. Roseville will then change over to standard cars and all locations will complete the car program by the end of July.

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In the year 1956 the following PFE departments had no reportable personal injuries and won safety awards which, for the most part, will be presented in February:

Districts:	Eastern, Western, and Southwestern		
Icing Platforms:	El Paso and Yuma		
Car Department:	Nampa		
Store Department:	Pocatello and Colton*		
Ice Plants:	Bakersfield	Colton	Fresno
	Las Vegas*	Los Angeles	Nampa
	North Platte	Pocatello	Sparks
	Tucson		

Car Cleaning Track North Platte

EC&M Department: W. R. Bierwagen, G. R. Goodell, W. D. Price, O. F. Vaught, and M. B. Webb

* - Indicated special 5-year award.

My sincere appreciation is extended to each of these departments for the excellent performance last year; I hope the list for 1957 will be much longer.

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Car Department: Nampa

Stone Department: Pocatello and Colton*

Ice Plants: Bakersfield, Colton, Fresno
Las Vegas*, Los Angeles, Nampa
North Platte, Pocatello, Sparks
Tucson

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